

# Exhibit Q

IN THE UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

- - - - -

IN THE MATTER OF

IN RE: LEHMAN BROTHERS HOLDINGS INC., ET AL.,  
Debtors.

- - - - -

DEPOSITION OF RUGGERO MAGNONI

VOLUME I

Tuesday, November 17th, 2015

AT: 2:30 p.m.

Taken at:

Hogan Lovells  
50 Holborn Viaduct  
London  
EC1A 2FG  
London  
United Kingdom

CONFIDENTIAL

Court Reporter:

Chris Lang  
Accredited Real-time Reporter

1 RUGGERO MAGNONI

2 having been SWORN testified as follows:

3 BY MR. JOHNSON:

4 Q. Mr. Magnoni, thank you for appearing here today.

5 I just wanted to give you a brief overview of what we  
6 are going to be doing today. I am going to be asking  
7 you some questions and then the attorneys for Lehman  
8 Brothers will have the opportunity to ask you some  
9 questions. If at some point you don't understand one of  
10 the questions, please say so and we will repeat the  
11 question, or possibly rephrase it. If you hear either  
12 side make an objection to form, you can still answer the  
13 question that you have been asked. Do you understand  
14 these instructions?

15 A. I do.

16 Q. Okay, excellent.

17 A. Let's see how it works.

18 Q. So I wanted to start with your work history. When  
19 did you begin working at Lehman Brothers?

20 A. February 1977 and I continued there until the last  
21 day, which I think was September 15, 2008. So 35 years.  
22 My only job. And then I continued with Nomura from 2008  
23 to 2013, becoming senior adviser afterwards, but I was  
24 chairman of investment banking division, EMEA, which is  
25 European, Middle East and Africa, for Nomura during

1       those years. I started from the bottom as an associate  
2       out of business school in Columbia in 1977, Columbia  
3       Business School, and made, you know, up to managing  
4       director about ten years later, and then I was appointed  
5       as vice chairman of Inc. and vice chairman of  
6       International Europe, which were our two operating  
7       units, the broker dealers of the group, about around  
8       2000 and where about, immediately after. So it is my  
9       pride to tell the truth about Lehman Brothers, which is  
10      my passion in life, has been my career, my everything.

11      Q. And you said you became vice chairman in 2000?

12      A. I can't remember exactly. I think it was the end  
13      of, yes, I think it was around 2000. 1999/2000.

14      Q. And you continued in that role until --

15      A. To the last day. I was vice chairman of both, of  
16      Inc. and Europe.

17      Q. Can are we please look at Exhibit 1, the Lehman  
18      Brothers 2007 report. Do you see in the bottom  
19      right-hand corner it says Marsoner and then there is  
20      a number?

21      A. Yes.

22      Q. Please turn to 606.

23      A. 606 is where, I am there, my picture and everything  
24      is what you want? Okay, what did you say, 6?

25      Q. 606.

1 Q. Have you spoken --

2 A. When you say Formula 1, you are saying Formula 1  
3 events of those years?

4 Q. Yes.

5 A. I don't think I even spoke to him about the recent.  
6 Again, he doesn't care about Formula 1, for some reason.  
7 He is not a petrol head, as we are.

8 Q. Okay.

9 A. He doesn't really care.

10 Q. Okay. Have you discussed with Dr. Marsoner  
11 anything about the negotiations of his advisory services  
12 agreement?

13 A. Never.

14 Q. Have you discussed with Dr. Marsoner whether he  
15 ever requested payment from Lehman for Formula 1?

16 A. No.

17 Q. Have you discussed with Dr. Marsoner whether Lehman  
18 ever agreed to pay him for Formula 1?

19 A. No. Because I wouldn't know. I was a bit out of  
20 that loop.

21 Q. Okay.

22 A. I actually don't know if they agreed or didn't  
23 agree. It would be natural if they agreed to, because  
24 that was the way we managed the relationship with our  
25 advisers. Everyone was on a small retainer and

1 a success fee.

2 Q. But at that point you were not in the, I think you  
3 called it the asset recovery group?

4 A. No I was not.

5 Q. So you didn't know?

6 A. No.

7 MR. JOHNSON: Objection. Leading. I am going to make the  
8 same objection you made to Mr. Pignatti's; you haven't  
9 provided a foundation that Mr. Magnoni is a hostile  
10 witness, and earlier on he testified he was  
11 disinterested and in fact loved Lehman Brothers --

12 MS. ALVAREZ: That's right --

13 MR. JOHNSON: -- I believe were his words.

14 A. Sorry, can you say again, please Shane?

15 MS. ALVAREZ: The court reporter can read it back, actually,  
16 so he can read you exactly what Shane said.

17 A. What is this, Shane, are you saying what Vittorio  
18 said?

19 MR. JOHNSON: He will read you back exactly what I said.

20 A. Okay.

21 THE COURT REPORTER: "Objection. Leading. I am going to  
22 make the same objection you made to Mr. Pignatti's; you  
23 haven't provided a foundation that Mr. Magnoni is a  
24 hostile witness, and earlier on he testified he loved  
25 Lehman Brothers."

1 advisers and finders there was a standard agreement, to  
2 tell you the truth, around investment banking in Wall  
3 Street and the City. Particularly at Lehman, we had  
4 a 10 percent approach. So it was well known by everyone  
5 from Jeremy and Roger Nagioff and I am sure, I can say  
6 myself, that that was the norm and therefore was pretty  
7 well understood by everyone.

8 Q. Did you negotiate any consultancy agreements for  
9 any advisers?

10 A. Including mine, yes.

11 Q. Did you negotiate, were you involved in the  
12 negotiations of Dr. Marsoner's?

13 A. No.

14 Q. So you don't know if he was ever retained for  
15 Formula 1?

16 A. I don't know.

17 MR. JOHNSON: Objection. Leading.

18 A. I assumed, like everybody else, that if he was  
19 working willingly with us, and Vittorio was the entry  
20 point of that negotiation, that normally would have had  
21 -- I didn't know.

22 Q. Did you ask anyone whether Lehman would pay  
23 Dr. Marsoner?

24 A. Not at all.

25 MR. JOHNSON: Objection. Leading.

1 Q. Do you know if anyone told Dr. Marsoner that he  
2 would be paid 10 percent?

3 A. No.

4 MR. JOHNSON: Objection.

5 A. I don't know of anyone.

6 Q. Okay. I would like to mark the next exhibit,  
7 please. Actually, it was marked at the last deposition.  
8 We can use the previous numbers, the Marsoner  
9 declaration. It was previously marked as Pignatti 4.  
10 You can look at it, I have a copy. Thank you, this is  
11 a declaration of Dr. Thomas Marsoner submitted in  
12 support of his motion. It was previously marked it  
13 Mr. Pignatti's deposition as exhibit 4. Have you seen  
14 this document before?

15 A. I am not sure. I am not sure I have read this.

16 Q. Okay. I am going to point you to a particular  
17 paragraph. If you can look at paragraph 8 which is on  
18 page 2.

19 A. Yes.

20 Q. I am just going to read it for the record. It  
21 states:

22 "In 2005, I advised Lehman in my role as Senior  
23 Adviser both in emails and in telephone conversations to  
24 continue Lehman's investment in F1, which service  
25 I explicitly provided in exchange for 10 % of Lehman's



1 Q. Why did you send this to the administrators of  
2 Lehman Brothers Europe?

3 A. Because I was asked to do it. I was sent this and  
4 asked whether I agreed or not with it, which I did, and  
5 I do, and I will continue doing it.

6 Q. Who asked you to do it?

7 A. I think Mr. Marsoner.

8 Q. What is M&M Capital?

9 A. It is a FCA registered advisory boutique founded by  
10 Mr. Marsoner and participated by me as its chairman.

11 Q. You say you are the chairman of M&M Capital?

12 A. Correct.

13 Q. And Dr. Marsoner is the founder of M&M Capital?

14 A. He is the founder and managing director.

15 Q. What does the M&M stand for?

16 A. Well, the theory was Marsoner and Magnoni.

17 Q. So you worked with Dr. Marsoner on a regular basis.

18 A. No, not much, because it was really done to have  
19 the basis for a potential future activity which we never  
20 really acted upon. Each of us does personal advice to  
21 clients and then, you know, we book through M&M and it  
22 keeps the books of the company. So this really was, it  
23 was really meant to be a center of potential growth to  
24 attract other, which he haven't done yet. But yes, we  
25 worked together but the accounts are separate.

1 Q. Okay. You have a joint interest in the success of  
2 M&M Capital?

3 A. To tell you the truth, it is not exactly that,  
4 because we keep the accounts completely separate. I am  
5 glad if he is successful, but it doesn't affect me.  
6 Because it is like having two companies with one same  
7 name. I don't think you can do that in the States, but  
8 certainly you can do it in the UK, I was told, so my  
9 clients pay M&M, but the they pay account B, which  
10 declares a completely separate set of accounts to the  
11 Inland Revenue, and to the FCA, so they are added  
12 together but they are not one single entity from  
13 an economic point of view. In theory, one of the two  
14 can do nothing and the other do very well and one is not  
15 affecting the other.

16 Q. When did you start M&M Capital?

17 A. A couples of years ago. Between -- two years ago.

18 MS. ALVAREZ: Can we just go off the record for a moment?

19 MR. JOHNSON: Are you almost done?

20 MS. ALVAREZ: Yes.

21 MR. JOHNSON: Okay.

22 THE VIDEOGRAPHER: We are going off the record. The time is

23 4:33 p.m.

24 (4:33 p.m.)

25 (Break taken.)